

RENAISSANCE ZONE AUTHORITY MEETING MINUTES

January 21, 2014

The Bismarck Renaissance Zone Authority met on January 21, 2014 in the David J. Blackstead Meeting Room in the City-County Office Building at 221 North 5th Street.

Authority members present were Jim Christianson, Chuck Huber, Kevin Magstadt, Jeff Ubl and Curt Walth.

Authority members George Keiser and Brenda Smith were absent.

Technical advisors Bruce Whittey and Morgan Andenas were present.

Staff members present were Jason Tomanek (Planning), Charlie Whitman (City Attorney) and Hilary Balzum (Planning).

Guests present were Kate Herzog, Reza Kamranian and Rick Becker.

CALL TO ORDER

Chairman Walth called the meeting to order at 4:00 p.m.

MINUTES

The minutes of the November 19, 2013 meeting were distributed with the agenda packet.

MOTION: A motion was made by Mr. Christianson and seconded by Mr. Magstadt to approve the minutes of the November 19, 2013 meeting as received. The motion passed unanimously with members Christianson, Huber, Magstadt, Ubl and Walth voting in favor.

CORE INCENTIVE PROGRAM PROJECT – TECHNICAL ASSISTANCE BANK GRANT

304 EAST FRONT AVENUE – PRESSDOUGH OF BISMARCK, LLC

Mr. Tomanek said Pressdough of Bismarck, LLC, owner of the building located at 304 East Front Avenue, now occupied by Reza's Pitch, is requesting assistance from the CORE Technical Assistance Bank to secure architectural services for three phases of improvements to the facility. Improvements include exterior façade work, a building addition and landscaping. The applicant has indicated a desire to implement the improvements in 2014.

Mr. Tomanek went on to explain that Technical Assistance Bank grant funds may be used to secure professional architectural and engineering services to assist with feasibility studies, the preliminary review and design assistance, renovation vs. restoration opinions, renovation for reuse studies, site selection assistance, preliminary cost estimates, code analysis, landscape improvements and graphic design. The grant amount for an architect is limited to 30 hours of work with a rate of \$110.00 per hour, and a total dollar amount not to exceed \$3,300. Applicants would be responsible for a 25% matching contribution; the total grant amount for architectural services shall not exceed \$2,475. Applicants would be responsible for a 25% matching contribution. At this time the finite dollar amount has not been established due to the fact that design work will not commence until the final approval from the Board of City Commissioners has been received.

Mr. Tomanek said based on the above findings, staff recommends approval of the request for a Technical Assistance Bank grant, which would allow the applicant to procure the services of a licensed architect to assist with exterior façade improvements, design, drafting and other architectural services. The maximum grant amount of \$2,475.00 is based on an hourly rate of \$110.00 for a maximum of 30 hours and a 25% match provided by the applicant.

Mr. Tomanek also said this property has historically been left out of the Renaissance Zone because it has always been kept in such good condition.

Mr. Christianson asked Mr. Kamranian if he could elaborate on the plans he has for the building. Mr. Kamranian said he will be doing the work in two phases. The first phase will consist of a facelift to the exterior of the building so the visual concept ties into the fast-food look of the inside. He said the second phase would be to add on and expand to the north.

Mr. Christianson asked how large the current building is and how many square feet will be added. Mr. Kamranian said the current space is about 3,250 square feet and he plans to add another 1,200 square feet, most of which would be dining space.

Chairman Walth asked if adding this location to the Renaissance Zone is an option. Mr. Christianson said it would be difficult to add a random property that does not need the benefits the program offers. Mr. Tomanek added that all of the properties on the block would then have to be added, including the Bismarck Parks and Recreation District building. Mr. Tomanek stated that a block elsewhere would have to be eliminated from the Renaissance Zone. He said Mr. Kamranian's timeline to make improvements also would not allow for the process it takes to be added.

MOTION: A motion was made by Mr. Christianson and seconded by Mr. Magstadt to recommend approval of the request for a Technical Assistance Bank grant fund for 304 East Front Ave to secure professional architectural and engineering services to assist with feasibility studies, the preliminary review and design assistance, renovation vs. restoration opinions, renovation for reuse studies, site selection assistance, preliminary cost estimates, code analysis, landscape

improvements and graphic design. The motion passed unanimously with members Christianson, Huber, Magstadt, Ubl and Walth voting in favor.

OTHER BUSINESS

Mr. Tomanek explained that Dr. Becker has intentions of purchasing the property located at 514 East Main Avenue and he is wondering if the Renaissance Zone Authority would consider a deviation from the normal process of purchasing with improvements as the time frame to purchase this property is less than three weeks. Mr. Tomanek said he contacted the Department of Commerce and they stated they would be comfortable with tentative approval based on the purchase of the property and a retroactive approval for tax exemption based on the percentage of improvements made. Dr. Becker said it is unknown at this time if the minimum requirement of 50% of the building value and \$40 per-square-foot investment of \$260,000 would be met.

Mr. Christianson said he was under the impression that an approval prior to completing the process could not be done.

Chairman Walth said it is possible that the Department of Commerce may issue tentative approval so that it is known the project has been recognized. He also said a public hearing must be held on the item before anything can be done which would require notifications to the neighbors and legal notices published.

It was the general consensus of the Authority members present to allow Dr. Becker to receive tentative approval to purchase the building at 514 East Main Avenue with the understanding that he can apply for a Renaissance Zone Purchase With Improvements project once the full rehabilitation plans and scope of project are known.

MOTION: A motion was made by Mr. Christianson and seconded by Mr. Huber to call for a special meeting as soon as the necessary requirements of the application process are met. The motion passed unanimously with members Christianson, Huber, Magstadt, Ubl and Walth voting in favor.

RENAISSANCE ZONE PROGRAM EXPIRATION DATE – DISCUSSION

Mr. Tomanek said Bismarck's Renaissance Zone Program is set to expire near the end of 2016 as it is a 15 year program with a five year extension offered by the State. He explained that he requested extension application information from the Department of Commerce and it would be a fairly simple process.

Chairman Walth asked if there was a Sunset Clause in the Century Code regarding the program and if so, applicants may want to get their processes started soon. Mr. Tomanek said he would look into it.

Mr. Tomanek also said the Planning and Zoning Commission will be holding a public hearing tomorrow, January 22, on an item related to the Downtown Fringe and Downtown Core districts. He said a zoning ordinance text amendment has been proposed that would require property owners to obtain a special use permit prior to the demolition of buildings in these districts in order to create surface parking lots. He said this would require owners to provide information on the current use, the intended reuse, the value and history and would also require them to complete the site plan review process.

Mr. Huber said he shares the concern of too many parking lots taking up the downtown area but telling the owner what they can do with the property is over reaching and infringing on private property rights.


Mr. Tomanek said there is a need for parking downtown and the intent is not to tell owners what they can and cannot do with their property. It is proposed with the intention of ensuring that if demolition of buildings is considered, that a thorough review of the project be done.

Mr. Tomanek added that Ms. Andenas has informed him that today will be her last day as a Technical Advisor for the Renaissance Zone Authority as she has accepted employment in South Dakota and will be moving.

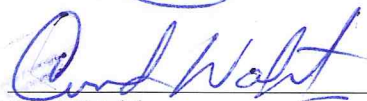
ADJOURNMENT

There being no further business, Chairman Walth adjourned the meeting of the Bismarck Renaissance Zone Authority at 4:50 p.m.

Respectfully Submitted,



Hilary Balzum
Recording Secretary



Curt Walth
Chairman